



DUFU TECHNOLOGY CORP. BERHAD

Registration No. 200201013949 (581612-A)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED INCOME STATEMENTS

(The figures have not been audited)

	Individual Quarter (1st Q)		Cumulative Quarter (3 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	57,856	74,183	57,856	74,183
Cost of sales	(47,533)	(53,976)	(47,533)	(53,976)
Gross profit	10,323	20,207	10,323	20,207
Other operating income	5,868	1,781	5,868	1,781
General and administrative expenses	(8,745)	(7,706)	(8,745)	(7,706)
Profit from operations	7,446	14,282	7,446	14,282
Finance costs	(532)	(141)	(532)	(141)
Share of results of associate, net of tax	(61)	248	(61)	248
Profit before tax	6,853	14,389	6,853	14,389
Income tax expense	(2,428)	(3,507)	(2,428)	(3,507)
Profit net of tax	4,425	10,882	4,425	10,882
Profit attributable to:				
Owners of the parent	4,425	10,882	4,425	10,882
Non-controlling interests	-	-	-	-
	4,425	10,882	4,425	10,882
Basic earnings per share (sen)	0.8	2.1	0.8	2.1
Diluted earnings per share (sen)	0.8	2.1	0.8	2.1

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.

The accompanying notes are an integral part of this statement.



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Registration No. 200201013949 (581612-A)
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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (1st Q)		Cumulative Quarter (3 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	4,425	10,882	4,425	10,882
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period:</i>				
Foreign currency translation	1,957	913	1,957	913
Total comprehensive income for the period	6,382	11,795	6,382	11,795
Total comprehensive income attributable to:				
Owners of the parent	6,382	11,795	6,382	11,795
Non-controlling interests	-	-	-	-
	6,382	11,795	6,382	11,795

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.

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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (1st Q)		Cumulative Quarter (3 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting) :				
(a) Interest expense	532	141	532	141
(b) Interest income	(607)	(572)	(607)	(572)
(c) Depreciation and amortisation	3,052	2,775	3,052	2,775
(d) Expected credit losses for receivables	-	-	-	-
(e) (Reversal of)/Provision for and write off of inventories	-	-	-	-
(f) Gain on disposal of property, plant and equipment	-	-	-	-
(g) Property, plant and equipment written off	4	1	4	1
(h) Realised foreign exchange (gain)/loss	(3,319)	2,472	(3,319)	2,472
(i) Unrealised foreign exchange gain	(713)	(2,432)	(713)	(2,432)
(j) Fair value gains on financial instruments	(29)	(22)	(29)	(22)

The Notes to Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.

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**DUFU TECHNOLOGY CORP. BERHAD**Registration No. 200201013949 (581612-A)
(Incorporated in Malaysia)**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024****CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	(Unaudited) As at 31 Mar 2024	(Audited) As at 31 Dec 2023
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	142,259	129,055
RIGHT-OF-USE ASSETS	18,968	19,046
INVESTMENT IN ASSOCIATE	8,507	8,568
INVESTMENT IN CLUB MEMBERSHIP, AT COST	42	42
DEFERRED TAX ASSETS	771	764
	<u>170,547</u>	<u>157,475</u>
CURRENT ASSETS		
Inventories	62,071	68,430
Trade and other receivables	90,461	86,938
Current tax assets	340	1,330
Cash and bank balances	121,324	103,201
	<u>274,196</u>	<u>259,899</u>
TOTAL ASSETS	<u>444,743</u>	<u>417,374</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
SHARE CAPITAL	107,574	107,013
TREASURY SHARES	(3,452)	(3,452)
RESERVES	243,153	236,863
	<u>347,275</u>	<u>340,424</u>
NON- CONTROLLING INTERESTS	-	-
EQUITY FUNDS	<u>347,275</u>	<u>340,424</u>
NON-CURRENT LIABILITIES		
LOANS AND BORROWINGS	60,173	42,170
DEFERRED TAX LIABILITIES	2,464	2,456
	<u>62,637</u>	<u>44,626</u>
CURRENT LIABILITIES		
Loans and borrowings	6,812	5,172
Trade and other payables	26,806	25,749
Contract liability	930	1,044
Current tax liabilities	283	359
	<u>34,831</u>	<u>32,324</u>
TOTAL LIABILITIES	<u>97,468</u>	<u>76,950</u>
TOTAL EQUITY AND LIABILITIES	<u>444,743</u>	<u>417,374</u>
Net Assets per ordinary share (RM)	<u>0.65</u>	<u>0.64</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Report for the year ended 31 December 2023.

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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

Three Months Ended 31 March 2024	← Attributable to owners of the Company →					Non-controlling Interests	Total Equity	
	Share Capital	Treasury Shares	Other Reserves	Share Option Reserve	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2024	107,013	(3,452)	(13,441)	3,933	246,371	340,424	-	340,424
Total comprehensive income for the period:								
Profit for the period	-	-	-	-	4,425	4,425	-	4,425
Other comprehensive income for the period	-	-	1,957	-	-	1,957	-	1,957
	-	-	1,957	-	4,425	6,382	-	6,382
Transactions with owners:								
Dividends	-	-	-	-	-	-	-	-
Issue of shares pursuant to ESOS	469	-	-	-	-	469	-	469
Transfer from Share Options Reserve	92	-	-	(92)	-	-	-	-
Share Options granted/ vested under ESOS	-	-	-	-	-	-	-	-
Total transactions with owners:	561	-	-	(92)	-	469	-	469
At 31 March 2024	107,574	(3,452)	(11,484)	3,841	250,796	347,275	-	347,275
								-
Three Months Ended 31 March 2023	← Attributable to owners of the Company →					Non-controlling Interests	Total Equity	
	Share Capital	Treasury Shares	Other Reserves	Share Option Reserve	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2023	106,671	(3,452)	(16,575)	3,494	250,560	340,698	-	340,698
Total comprehensive income for the period:								
Profit for the period	-	-	-	-	10,882	10,882	-	10,882
Other comprehensive income for the period	-	-	913	-	-	913	-	913
	-	-	913	-	10,882	11,795	-	11,795
Transactions with owners:								
Dividends	-	-	-	-	-	-	-	-
Issue of shares pursuant to ESOS	-	-	-	-	-	-	-	-
Transfer from Share Options Reserve	-	-	-	-	-	-	-	-
Share Options granted/ vested under ESOS	-	-	-	-	-	-	-	-
Acquisition of shares from non-controlling interests	-	-	-	-	-	-	-	-
Total transactions with owners:	-	-	-	-	-	-	-	-
At 31 March 2023	106,671	(3,452)	(15,662)	3,494	261,442	352,493	-	352,493

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Report for the year ended 31 December 2023.

The accompanying notes are an integral part of this statement.



**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

(The figures have not been audited)

	3 months ended 31 Mar 2024	3 months ended 31 Mar 2023
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit before tax	6,853	14,389
Adjustments for:		
Depreciation	3,052	2,775
Fair value gains on financial instruments	(29)	(22)
Interest income	(607)	(572)
Interest expense	532	141
Plant and equipment written off	4	1
Share of results of associate	61	(248)
Unrealised gain on foreign exchange	(713)	(2,432)
Total adjustments	2,300	(357)
Operating cash flows before changes in working capital	9,153	14,032
Changes in working capital		
Net change in current assets	3,617	(18,075)
Net change in current liabilities	1,001	9,143
Total changes in working capital	4,618	(8,932)
Cash flows from operations	13,771	5,100
Tax paid	(1,517)	(3,738)
Net cash flow generated from operating activities	12,254	1,362
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(15,120)	(2,666)
Interest and fund distributions received	636	594
Net cash used in investing activities	(14,484)	(2,072)
FINANCING ACTIVITIES		
Repayment of term loans	(846)	(1,080)
Repayment of finance lease liabilities	(75)	(96)
Proceeds from issuance of shares	469	-
Net drawdown of term loan	20,000	-
Changes in bank balance pledged as security	-	159
Interest paid	(532)	(141)
Net repayment of short term borrowings	-	(4,366)
Net cash generated from/ (used in) financing activities	19,016	(5,524)
NET INCREASE/ (DECREASE) IN CASH AND CASH CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	16,786	(6,234)
Effects of exchange rate changes	1,337	2,664
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	121,324	104,177
Cash and cash equivalents in the condensed consolidated statements of cash flow comprise:		
Cash on hand and at banks	102,581	94,573
Short-term funds - at fair value	4,383	2,286
Term deposits	14,360	7,318
	121,324	104,177
Bank balance pledged as security	-	-
Cash and bank balances	121,324	104,177

The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Annual Report for the year ended 31 December 2023.

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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

NOTES TO THE INTERIM FINANCIAL REPORT

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). These interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

2. Significant accounting policies

The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2023 except for the adoption of the following new MFRSs and Interpretations, and amendments to certain MFRSs and Interpretations with effect from 1 January 2024:

- (i) Amendments/Improvements to MFRSs
 - MFRS 16 *Lease Liability in a Sales and Leaseback*
 - MFRS 101 *Classification of Liabilities as Current and Non-current*
 - MFRS 107 and MFRS 7 *Supplier Finance Arrangements*

The adoption of the above standards and interpretations did not have any material effect on the financial performance or position of the Group.



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NOTES TO THE INTERIM FINANCIAL REPORT

The standards and interpretations that are issued but not yet effective up to the date of issuance of these condensed consolidated interim financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
<u>Amendments/Improvements to MFRSs</u>	
MFRS 10 <i>Consolidated Financial Statements</i>	Deferred
MFRS 128 <i>Investments in Associates and Joint Ventures</i>	Deferred
MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates</i>	1 January 2025

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application.

3. Significant Accounting Estimates And Judgements

(a) Critical Judgements Made in Applying Accounting Policies

There are no critical judgements made by management in the process of applying the Group's accounting policies that have significant effect on the amounts recognized in the financial statements.

(b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Depreciation of plant and equipment

The cost of Computer Numerical Control (“CNC”) machining is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and machinery to be within ten years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.



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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

NOTES TO THE INTERIM FINANCIAL REPORT

4. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2023 was not subject to any audit qualification.

5. Seasonal or cyclical factors

The Group's business operations were not materially affected by any major seasonal or cyclical factors.

6. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter and financial period.

7. Changes in estimates

There were no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current year.

8. Debt and equity securities

There was no issuance or repayment of debt and equity securities, share buy-backs and share cancellations for the current financial period except for the following:

As at 31 March 2024, a total of 286,000 new ordinary shares were issued pursuant to the exercise of the Company's Employees Share Options Scheme ("ESOS"). Details of the issued and paid-up capital of the Company as at 31 March 2024 are as follows:

	No. of shares	RM'000
As at 1 January 2024	544,125,734	107,013
Ordinary Shares issued pursuant to the ESOS		
(i) Cash receipts from exercise of ESOS	286,000	469
(ii) Transfer from Share Options Reserve	-	92
As at 31 March 2024	544,411,734*	107,574

*Inclusive of 13,792,488 Ordinary Shares held as treasury shares.



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NOTES TO THE INTERIM FINANCIAL REPORT

9. Dividend paid

There was no dividend paid during the financial period ended 31 March 2024.

10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current quarter under review and financial year-to-date.

11. Significant and subsequent events to the balance sheet date

There were no significant and subsequent events at the end of the financial period ended 31 March 2024 that have not been reflected in the interim financial statements as at the date of this report.

12. Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial period to date.

13. Changes in corporate guarantees, contingent liabilities or contingent assets

As at 31 March 2024, the Group has no material contingent liabilities save for corporate guarantee of RM102.1 million issued by the Company in respect of banking facilities granted to the subsidiary companies.

14. Related party transactions

The Board is of the opinion that there is no related party transaction which would have a material impact on the financial position and the business of the Group for the current financial year.

15. Segment reporting

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to single operating segment, namely precision machining of industrial products and manufacturing of high-quality computer disk-drive related components.

The segmental information of the Group is presented by geographical segments. The geographical segments are based on the location of the assets and these are:

- (i) Malaysia
- (ii) Singapore
- (iii) China



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**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

NOTES TO THE INTERIM FINANCIAL REPORT

Segment information for the period ended 31 March 2024 are as follows:

	Malaysia RM'000	Singapore RM'000	China RM'000	Eliminations RM'000	Total RM'000
Revenue	53,768	39,423	9,404	(44,739)	57,856
EBDITA *	12,620	(1,156)	(981)	15	10,498
Depreciation	(1,858)	(26)	(1,168)	-	(3,052)
Profit/(Loss) from operation	10,762	(1,182)	(2,149)	15	7,446
Finance costs	(8)	(2)	(522)	-	(532)
Share of results of associate	(61)	-	-	-	(61)
PBT **	10,693	(1,184)	(2,671)	15	6,853

As at 31 March 2024

Total assets	454,609	94,395	133,280	(237,541)	444,743
Total liabilities	56,104	64,283	58,051	(80,970)	97,468

Segment information for the period ended 31 March 2023 are as follows:

	Malaysia RM'000	Singapore RM'000	China RM'000	Eliminations RM'000	Total RM'000
Revenue	69,292	58,115	11,443	(64,667)	74,183
EBDITA *	15,541	916	434	166	17,057
Depreciation	(1,979)	(25)	(771)	-	(2,775)
Profit from operation	13,562	891	(337)	166	14,282
Finance costs	(138)	(3)	-	-	(141)
Share of results of associate	248	-	-	-	248
PBT **	13,672	888	(337)	166	14,389

As at 31 March 2023

Total assets	435,781	93,508	128,698	(217,884)	440,103
Total liabilities	40,099	65,280	52,548	(70,317)	87,610

* EBDITA – Earnings/(Loss) Before Depreciation, Interest expenses, Tax and Amortisation

** PBT - Profit/(Loss) Before Tax

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(Incorporated in Malaysia)**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024****NOTES TO THE INTERIM FINANCIAL REPORT****PART B: EXPLANATORY NOTES PURSUANT TO BURSA MALAYSIA LISTING
REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A****16. Review of performance**

i) Comparison between current year quarter with corresponding quarter:

Current Period Quarter – 31 March 2024

	Malaysia RM'000	Singapore RM'000	China RM'000	Eliminations RM'000	Total RM'000
Revenue	53,768	39,423	9,404	(44,739)	57,856
EBDITA *	12,620	(1,156)	(981)	15	10,498
Depreciation	(1,858)	(26)	(1,168)	-	(3,052)
Profit/ (Loss) from operation	10,762	(1,182)	(2,149)	15	7,446
Finance costs	(8)	(2)	(522)	-	(532)
Share of results of associate	(61)	-	-	-	(61)
PBT **	10,693	(1,184)	(2,671)	15	6,853

Preceding Period Quarter – 31 March 2023

	Malaysia RM'000	Singapore RM'000	China RM'000	Eliminations RM'000	Total RM'000
Revenue	69,292	58,115	11,443	(64,667)	74,183
EBDITA *	15,541	916	434	166	17,057
Depreciation	(1,979)	(25)	(771)	-	(2,775)
Profit from operation	13,562	891	(337)	166	14,282
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Share of results of associate	248	-	-	-	248
PBT **	13,672	888	(337)	166	14,389

* EBDITA – Earnings/(Loss) Before Depreciation, Interest expenses, Tax and Amortisation

** PBT - Profit/(Loss) Before Tax



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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

NOTES TO THE INTERIM FINANCIAL REPORT

Group

Group revenue for the quarter ended 31 March 2024 was RM57.9 million compared with RM74.2 million for the quarter ended 31 March 2023, a decrease of 22.0%. The decrease in revenue was mainly due to the decrease in revenue related to Hard Disk Drives (“HDD”) components.

The Group’s Profit Before Taxation for the quarter ended 31 March 2024 decreased to RM6.9 million from RM14.4 million registered in the previous year corresponding financial quarter ended 31 March 2023. The decrease in profit before taxation was mainly due to the decrease in revenue in HDD components and higher overhead costs incurred in the financial quarter ended 31 March 2024.

17. Comparison with immediate preceding quarter’s results

	Individual quarter ended		Variance	
	31.03.2024	31.12.2023		
	RM’000	RM’000	RM’000	%
Revenue	57,856	50,740	7,116	14.0
Profit before tax	6,853	8,272	(1,419)	(17.2)

Revenue for the quarter ended 31 March 2024 increased by RM7.1 million or 14.0% while Profit before Taxation decreased by RM1.4 million for the current quarter as compared to the preceding quarter. Despite the increase in revenue, the decreased in profit before taxation was mainly due to the reversal of inventories written down of RM1.7 million in the financial quarter ended 31 December 2023.

18. Prospects

In 2023, the market cycle for Hard Disk Drives reached its lowest point. As we advance through the second quarter of 2024, our Group is navigating the tail end of an unprecedented downturn in the storage market. However, within our key operational domains - precision machining of Hard Disk Drives and production of Sheet Metal and Stamping equipment and components - we are witnessing a modest increase in demand.

We believe that global semiconductor sales are picking up and, coupled with a resurgence in the memory sector, suggesting the potential onset of a new growth cycle, especially among local manufacturers who typically lag behind global semiconductor players. This positive momentum is supported by the conclusion of inventory adjustments and heightened demand in electronics and AI-related applications.



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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

NOTES TO THE INTERIM FINANCIAL REPORT

As we navigate the dynamic market landscape, we are confident that the toughest phase is now behind us, and we remain dedicated to seizing these growing opportunities, aiming to cultivate sustained growth for the Group.

19. Variance of actual profit from profit forecast

Not applicable.

20. Taxation

	Current Quarter 3 months ended 31 March 2024 RM'000	Year-to-date 3 months ended 31 March 2024 RM'000
Income tax		
Current year	2,421	2,421
Prior year	-	-
	<hr/> 2,421	<hr/> 2,421
Deferred tax		
Current year	7	7
Prior year	-	-
	<hr/> 2,428	<hr/> 2,428

21. Status on corporate proposals

There were no corporate proposals for the current financial period to date.

22. Group borrowings

The Group's borrowings as at the end of the reporting quarter are as follows:

	Short-term (Secured) RM'000	Long-term (Secured) RM'000	Total borrowings RM'000
Finance lease liabilities	60	164	224
Term loans	6,752	60,009	66,761
Total	<hr/> 6,812	<hr/> 60,173	<hr/> 66,985



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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

NOTES TO THE INTERIM FINANCIAL REPORT

22. Group borrowings (cont'd)

The Group borrowings are dominated in the following currencies:

	RM'000
Ringgit Malaysia	24,757
RMB	42,004
SGD	224
Total borrowings	<u>66,985</u>

23. Derivatives financial instruments

There were no outstanding derivatives financial instruments entered into by the Group as at the date of this quarterly report.

24. Material litigation

There was no pending material litigation as at the date of this quarterly report.

25. Dividend

A single tier final dividend of 2 sen in respect of the financial year ended 31 December 2023 has been approved by the shareholders at the Annual General Meeting held on 8 May 2024 and is to be paid on 14 June 2024. The interim report does not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the quarter ending 30 June 2024.

In the corresponding year, a single tier final dividend of 4 sen in respect of the financial year ended 31 December 2022 was paid on 16 June 2023.

**DUFU TECHNOLOGY CORP. BERHAD**Registration No. 200201013949 (581612-A)
(Incorporated in Malaysia)

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NOTES TO THE INTERIM FINANCIAL REPORT**26. Earnings per share**

Earnings per share is calculated by dividing the net profit for the quarter/period by the weighted average number of ordinary shares during the financial quarter/period.

	3 Months Quarter Ended 31 March		3 Months Period Ended 31 March	
	2024	2023	2024	2023
Net profit attributable to shareholders (RM'000)	4,425	10,882	4,425	10,882
Weighted average number of ordinary shares in issue ('000) for basic earnings per share	530,497	530,019	530,497	530,019
Basic earnings per share (sen)	0.8	2.1	0.8	2.1
<hr/>				
Weighted average number of ordinary shares in issue ('000) for diluted earnings per share	530,903	530,331	530,903	530,331
Diluted earnings per share (sen)	0.8	2.1	0.8	2.1

DATED THIS 8th DAY OF MAY, 2024